



## MEMORANDUM

**TO:** Mayor and Council

**FROM:** Rodney Gonzales, Deputy Director  
Economic Growth and Redevelopment Services Office (EGRSO)

**CC:** Marc A. Ott, City Manager  
Sue Edwards, Assistant City Manager  
Rudy Garza, Assistant City Manager

**DATE:** June 22, 2011

**SUBJECT:** WebLOCI analysis of the proposed White Lodging hotel

The attached WebLOCI analysis is in response to the Council request made at the June 21, 2011 Council Work Session.

On the benefits side, the 10-year analysis reflects the estimated revenues resulting from City fees, new jobs to be employed at the hotel, hotel occupancy, capital investment, sales made at the hotel, and water/wastewater sales to the hotel. The first three years of this analysis reflect the hotel will be under construction. Additionally, the hotel occupancy tax revenues are computed using a 2.5% hotel occupancy tax rate, which reflects that 6.5% of the existing 9.0% rate is dedicated for debt and operations of the convention center and its previous expansion.

On the costs side, the 10-year analysis reflects the proposed fee waiver and the proposed Austin Water Utility cost sharing for the new wastewater line, costs for providing water/wastewater service, and general City costs incurred as a result of the hotel and jobs created.

The analysis does not include the following:

- Estimated benefits/costs resulting from the construction jobs
- Estimated benefits/costs resulting from additional conferences attracted to Austin

In summary, the WebLOCI analysis reflects a net positive gain to the City of \$25.47 million. If you have questions please do not hesitate to contact me at 974-2313.